

84TH CONGRESS
2D SESSION

S. 3477

IN THE SENATE OF THE UNITED STATES

MARCH 19, 1956

Mr. JOHNSTON of South Carolina introduced the following bill; which was read twice and referred to the Committee on Post Office and Civil Service

A BILL

To provide for the procurement by the Government of insurance against risk to civilian personnel of liability for personal injury or death, or for property damage, arising from the operation of motor vehicles in the performance of official Government duties, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
- 2 *tives of the United States of America in Congress assembled,*
- 3 That subject to section 3 of this Act, and except as provided
- 4 in section 2 of this Act, the Postmaster General, with re-
- 5 spect to personnel of the Post Office Department and the
- 6 postal field service, and the Administrator of General Serv-
- 7 ices, with respect to personnel of the other departments and
- 8 independent establishments in the executive branch of the

1 Federal Government, shall procure, under regulations which
2 shall be promulgated by the Secretary of the Treasury, poli-
3 cies of liability insurance covering civilian officers and
4 employees in or under the executive branch of the Federal
5 Government for liabilities imposed by law for damages,
6 because of bodily injury or death or because of damage to
7 property, of any person or persons caused by accident and
8 arising out of the operation, use, maintenance, or ownership
9 of any automobile, motortruck, motorcycle, motor scooter,
10 or other motor vehicle, or any bicycle, in the performance
11 by any such civilian officer or employee of his official duties
12 for the Federal Government. The amount of liability in-
13 surance procured pursuant to this section for any such officer
14 or employee under any such policy of insurance shall not
15 exceed (1) the sum of \$10,000 for death or injury of one
16 person in one accident, (2) the sum of \$20,000 for death or
17 injury to more than one person in one accident, (3) the
18 sum of \$5,000 for property damage in one accident, except
19 that the appropriate official designated in this section may
20 procure such liability insurance for any such officer or em-
21 ployee in greater amounts, but not in an aggregate amount
22 in excess of \$100,000 for personal injury or death of any
23 person or persons and property damage in one accident, upon
24 his determination and certification, together with a written
25 explanation of the reasons, that the procurement of liability

1 insurance in such greater amount or amounts is necessary
2 for the protection of such officer or employee and is consistent
3 with the interest of the Government. Such insurance shall
4 be of the most economical type available for the number
5 and types of personnel to be insured and shall be purchased
6 from one or more insurance companies licensed to operate
7 in the States, Territories, or possessions of the United States,
8 or in the District of Columbia, where such motor vehicles
9 or bicycles are operated. The premium on any such policy
10 of insurance may cover a period not exceeding three years
11 and shall be paid from any funds available for the payment
12 by the Post Office Department or the General Services Ad-
13 ministration, as the case may be, as administrative expenses
14 at the time such premium is payable.

15 SEC. 2. Whenever it is the opinion of the appropriate
16 official designated in the first section of this Act that (1) the
17 cost to the Government will be less than the cost of procuring
18 liability insurance under such first section for any officer or
19 employee, or group of officers or employees, or both, for
20 whom he is required under such first section to procure such
21 liability insurance and (2) indemnification by the Govern-
22 ment for personal injury or death of any person or for prop-
23 erty damage, in lieu of the procurement of such liability
24 insurance under such first section, is in the interest of the
25 Government, he may exclude such officer or employee, or

1 group of officers or employees, or both, from the requirements
2 of such first section, and shall, with respect to any such officer
3 or employee, or group of officers or employees, or both, so
4 excluded, provide by regulation or order for such indemnifi-
5 cation and make payment or reimbursement for any personal
6 injury, death, or property damage for which liability insur-
7 ance is authorized to be procured under such first section--

8 (A) to any person, or his legal representative, in
9 whose favor a judgment has been rendered by a court of
10 competent jurisdiction and remains unsatisfied, against
11 any officer or employee subject to this Act, for personal
12 injury, death, or property damage for which liability
13 insurance is authorized to be procured under the first
14 section of this Act;

15 (B) to any officer or employee subject to this Act
16 against whom judgment has been rendered by a court
17 of competent jurisdiction for personal injury, death, or
18 property damage for which liability insurance is author-
19 ized to be procured under the first section of this Act,
20 and who has made payment in satisfaction of such
21 judgment; or

22 (C) in settlement of any claim or demand, not
23 reduced to judgment, on account of any personal in-
24 jury, death, or property damage for which liability in-

1 surance is authorized to be procured under the first
2 section of this Act;
3 conditioned upon execution by the person, or his legal repre-
4 sentative, to whom any such payment or reimbursement is
5 made of a full and complete satisfaction of judgment or re-
6 lease of the Federal Government of any and all liability on
7 account of any such personal injury, death, or property dam-
8 age, in accordance with regulations which shall be prescribed
9 by the appropriate official designated in the first section of
10 this Act.

11 SEC. 3. The appropriate official designated in the first
12 section of this Act may in his discretion defend any action
13 brought in any court against any officer or employee sub-
14 ject to this Act for personal injury, death, or property
15 damage for which liability insurance is authorized to be pro-
16 cured under the first section of this Act. All costs of defend-
17 ing any such civil action shall be borne by the United States.
18 Such designated official may, in his discretion, authorize any
19 such officer or employee to defend any such civil action and
20 in case of any such authorization, shall pay to or reimburse
21 such officer or employee so authorized the costs incurred
22 by such officer or employee in defending such civil action.

23 SEC. 4. If, in the opinion of the Postmaster General
24 or the Administrator of General Services, as the case may

1 be, the initial or renewal premium cost for any policy of
2 insurance procured under the first section of this Act will
3 exceed the rate of \$300 per annum, the procurement shall
4 be made only after advertising a sufficient time previously
5 for proposals for the furnishing of such policy of insurance,
6 and each award shall be made to the responsible bidder
7 whose bid, conforming to the invitation for bids, will be
8 most advantageous to the Government, price and other
9 factors considered, except that any and all bids may be
10 rejected when the appropriate official designated in the
11 first section of this Act determines that it is in the public
12 interest.

13 SEC. 5. The Postmaster General and the Administrator
14 of General Services shall transmit to the Committee on Post
15 Office and Civil Service of the Senate and the House of
16 Representatives, on or before January 15 of each calendar
17 year beginning after the effective date of this Act, compre-
18 hensive reports, as of the last day of the preceding calendar
19 year, of their operations under this Act during such preceding
20 calendar year in their respective jurisdictions including,
21 among other matters, information, in summary and in detail,
22 setting forth—

23 (1) with respect to the first section and section 4
24 of this Act—

25 (A) the number of officers and employees cov-

1 ered by any policy or policies of insurance procured
2 under this Act,

3 (B) the number and types of policies of insur-
4 ance procured under this Act,

5 (C) the average amounts of insurance provided
6 each civilian officer and employee under this Act
7 for (i) personal injury or death to one person in
8 one accident, (ii) personal injury or death to more
9 than one person in one accident, and (iii) property
10 damage,

11 (D) the total amount of insurance coverage
12 procured under this Act,

13 (E) the total amount of the premiums paid for
14 insurance procured under this Act, and

15 (F) such other information as may be neces-
16 sary to enable the Committees to review operations
17 under the first section and section 4 of this Act;
18 and

19 (2) with respect to sections 2 and 3 of this Act—

20 (A) the number of officers and employees ex-
21 cluded from the requirements of the first section
22 of this Act,

23 (B) a statement of the factors forming the
24 basis for exclusions from the requirements of such
25 first section,

1 (C) the number and amounts of payments or
2 reimbursements made under paragraphs (A), (B),
3 and (C) of section 2 of this Act,

4 (D) the estimated savings to the Government
5 resulting from such payments or reimbursements in
6 lieu of the procurement of policies of insurance
7 under the first section of this Act,

8 (E) a statement relating to the defense, by an
9 appropriate official designated in the first section of
10 this Act or by officers or employees upon his author-
11 ization, under section 3 of this Act of actions
12 brought against any such officers or employees, to-
13 gether with a statement of the costs incurred, and

14 (F) such other information as may be neces-
15 sary to enable the Committees to review operations
16 under sections 2 and 3 of this Act.

17 SEC. 6. This Act shall not apply to noncitizens, officers
18 and employees of the United States whose permanent sta-
19 tions of duty are located outside the continental United
20 States, its Territories and possessions, or to commissioned
21 officers or enlisted personnel on active duty in or with the
22 Army, Navy, Air Force, Marine Corps, or Coast Guard,
23 of the United States.

24 SEC. 7. Any funds available to the Post Office Depart-
25 ment or the General Services Administration, as the case

1 may be, for the payment of administrative expenses shall
2 be available for expenditures to carry out the purposes of
3 sections 2, 3, 4, and 5 of this Act.

4 SEC. 8. The term "person" as used in this Act shall
5 be deemed to include firm, corporation, company, partner-
6 ship, or association.

7 SEC. 9. This Act shall take effect on January 1, 1957.

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